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Attached are photostated lists of the import needs of the Trade Organization in 1950 (Importbedarf der HO 1950).

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Comment:

a. The HO (Trade Organization) was established as nationalized enterprise in mid-November 1948. At the end of November 1949 it had about 1,279 stores and commercial establishments and 177 restaurants. About 30,000 men were employed by the HO at that time. The annual turnover is estimated to have been two billion eastern DM in 1949. The profit amounted to 1.3 to 1.5 billion east DM. At present the HO is one of the largest Soviet Zone state trusts.

b. The HO system has to restrict the consumption by the German population in the Soviet Zone of Germany in order to secure the high Soviet reparations and occupation demands. It also has to drain the excess purchasing power of the population.

c. The attached import lists of the HO, therefore, show exclusively items of the foodstuff and consumers' goods industry supplied from abroad and sold in the Soviet Zone at six times above the market price.

2 Annexes: 1. 1 photostat (4 pages)
 2. 1 photostat (5 pages)

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